

Homework Assignment-4 POM 500 Statistical Analysis Note: Attempt all questions as per rubric. Problems including case study has a weightage of 10 marks each. The maximum you can score is 50. Use Excel function wherever possible.

A disruptive innovation is characterized by entering the market at a lower price point, often targeting underserved customers with a simpler product, and gradually improving its capabilities to eventually disrupt established market leaders; essentially, they initially offer lower performance but are more accessible and affordable, then over time improve to compete with existing products, creating a new market or disrupting the current one.

Established companies often prioritize their most profitable customers, overlooking the needs of new, emerging markets where disruptive innovations often first appear.

Companies may be incentivized to focus on sustaining innovations that improve existing products for their current customer base, rather than exploring disruptive potential.

Early disruptive innovations might seem insignificant or not a serious threat to established players, leading to underestimation of their potential.

Large companies can have slow decision-making processes and be resistant to change, making it difficult to adapt to new disruptive technologies quickly.

Monitor emerging technologies and customer needs in adjacent markets, not just within their current industry.

Encourage experimentation and exploration of new ideas, even if they seem irrelevant to current business operations.

Seek insights from customers, industry experts, and venture capitalists to identify potential disruptive threats.

Establish teams specifically focused on identifying and developing disruptive innovations, separate from core business operations.

Pressure to deliver immediate results can lead managers to prioritize short-term profits over long-term strategic investments in disruptive technologies. Existing product lines may be threatened by disruptive innovations, leading to hesitation to develop them internally.

Not fully grasping the disruptive potential of new technologies can lead to misjudgment and underestimation of the threat.

A culture resistant to change or focused on optimizing existing operations can hinder the adoption of disruptive innovations.